

COMOMAGINST 4200.1A  
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COMOMAG INSTRUCTION 4200.1A

Subj: INTERNAL OPERATING PROCEDURES FOR USE OF THE GOVERNMENT PURCHASE  
CARD PROGRAM

Ref: (a) General Service Administration (GSA) Government SMARTPAY  
Contract (GS-23F-98006)  
(b) EBUSOPSOFFINST 4200.1

Encl: (1) Mobile Mine Assembly Group (MOMAG) Internal Operating  
Procedures for use of the Government Purchase Card  
Program  
(2) Government Commercial Purchase Card Order Log  
(3) List of Prohibited and Special Attention Items

1. Purpose. To provide guidance and establish policy for Mobile Mine  
Assembly Group (MOMAG) with respect to use of the Government Commercial  
Credit Card Program per references (a) and (b).

2. Cancellation. COMOMAGINST 4200.1.

3. Discussion. The policy of COMOMAG is to use the purchase card for all  
supplies and services at or below the micropurchase threshold (\$2,500) as  
either a procurement method or a method of payment. All purchases must be  
accomplished per Federal Acquisition Requirements (FAR) Part 13, Defense  
Federal Acquisition Requirements (DFARS) 213, Navy Acquisition Procedures  
Supplement (NAPS) 5213, EBUSOPSOFFINST 4200.1, the GSA contract and the  
procedures established by this command directive.

The purchase card may be used as a payment method in conjunction with  
other procurement methods when authorized in order, contract or agreement.  
The card may also be used to order directly from government required sources,  
i.e., GSA stock, Federal Prison Industries (FPI), etc.

MOMAG purchase card holders will use the purchase card for authorized  
purchases only in accordance with this directive.

4. Action. All Commanding Officers/Officer-in-Charge will become familiar  
with this instruction. Additionally, all personnel appointed as an Approving  
Officials (AOs), Agency Program Coordinators (APCs) and card holders will  
become familiar with the contents of this instruction and its guidelines and  
comply with the requirements and restrictions contained herein.

/s/  
T. W. AUBERRY

Distribution:  
COMOMAGINST 5216.1T  
List I  
List II, Case A  
List II, Case B (COMINEWARCOM only))

MOMAG INTERNAL OPERATING PROCEDURES FOR USE OF THE  
GOVERNMENT PURCHASE CARD PROGRAM

1. General

a. The Department of the Navy (DON) has issued a task order (#0003) under the GSA SMARTPAY Contract (#GS-23F-98006) to obtain purchase card services from CitiBank. These internal operating procedures provide guidance on the appropriate use of the purchase card by MOMAG personnel.

b. Definitions

(1) Account Set-up Information. Specific information required by the contractor for each card holder or approving official so an active account can be established. This information is supplied by each ordering DOD activity to the card-issuing bank.

(2) Accountable Official. Department of Defense (DOD) military members and civilian personnel who are designated in writing and are not otherwise accountable under applicable law who provided source information, data or service (such as a receiving official, a card holder, and an automated information system administrator) to a certifying or disbursing officer in support of the payment process. They have pecuniary liability for erroneous payments resulting from their negligent actions.

(3) Accountable Property. A term used to identify property recorded in a formal property management or accounting system. Accountable property includes all property purchased, leased (capital leases), or otherwise obtained having a unit acquisition cost of \$5,000 or more (land, regardless of cost) and items that are sensitive or classified. Additional and/or separate records or other record keeping instruments will be established for management purposes or when otherwise required by law, policy, regulation or agency direction including, but not limited to, pilferable items (items that have a ready resale value or application to possession and which are, therefore, especially subject to theft).

(4) Agency Program Coordinator (APC). The individual designated by the Commanding Officer or Head of Activity (HA) who will have overall responsibility for the management, administration and day-to-day operations of the purchase card program at the activity.

(5) Approving Official (AO). The individual responsible for reviewing and verifying the monthly purchase card statements of the card holders under his/her purview. The AO must verify that all purchases were necessary and for official government use per applicable directives. Unless otherwise specified, the AO must also be the certifying officer for his/her card holder(s). In that capacity, he/she must certify the monthly billing statement and forward it to the appropriate office for payment.

(6) Billing Cycle. The billing cycle is the 30-day billing period. For Department of the Navy (DON) personnel, the billing cycle ends on the 21st of each month.

(8) Billing Invoice. The monthly billing invoice is the official invoice for payment purposes that is provided to the certifying officer by the issuing bank. The billing invoice identifies all of the purchase card transactions of his/her card holders during a billing cycle. The invoice can be paper-based or presented through the electronic access system of the issuing bank.

(9) Bulk Funding. An advance reservation of funds where a commitment or obligation is recorded in the aggregate rather than by individual transactions.

(10) Card Holder. Any U.S. Government employee who is designated by the Head of Activity (HA) or his/her designee to be issued a purchase card or purchase card account. The purchase card bears the name and account number of this individual.

(11) Card Holder Statement. The statement of charges provided to a card holder detailing all of the transactions posted to his/her account during a billing cycle.

(12) Commercial Items (Supplies). Any item, other than real property, that is of a type customarily used for non-governmental purposes that has been sold, leased or licensed to the general public or has been offered for sale, lease or license to the general public. A full definition can be found in FAR 2.101.

(13) Commonly Used HAZMAT. For the purpose of this instruction, commonly used HAZMAT means hazardous materials or products that are customarily sold to the general public to be used for non-governmental purposes (commercial products) which are in the same size and packaging found commercially and subject to procedures found later in this instruction. Examples of those materials or products include those required on a routine basis to meet daily operational needs, such as lubricants, batteries, toner cartridges, detergents, etc.

(14) Contracting Officer. Government employees who have the authority to bind the U.S. Government to the extent of their delegated purchasing authority. Purchase card holders are provided that authority by their commanding officer or APC in writing by the issuance of a Letter of Delegation or SF 1402, Contracting Officer's Warrant.

(15) Credit Limit. The maximum dollar threshold assigned at the AO/billing level limiting the amount an account can have outstanding at any one time. The bank automatically sets the amount at three times the corresponding billing account 30-day limit.

(16) Delegation of Procurement Authority. A document issued by authorized agency personnel that establishes the individual as an authorized card holder. This delegation of procurement authority will specify spending and use limitations unique to the card holder. Each activity must designate in its internal procedures who will be responsible for issuing these delegations. This delegation must come from the head of the contracting activity.

(17) Designated Billing Office. The office designated by the ordering activity to receive and certify the official invoice, and in some instances, make payments against the official invoice.

(18) Direct Procurement Method (DPM) Contract. A method of shipment in which the government manages the shipment throughout. Packing, containerization, local drayage and storage services are obtained from commercial firms under contractual arrangements or by the use of government facilities and personnel. Storage for local moves that encompasses the handling associated with the assignment of quarters as stated herein is not authorized.

(19) Disputes. Instances where transactions on the card holder's statements do not agree with entries in the log or retained receipts that are presented to the bank for resolution. This may include circumstances where the card holder did not make the transaction, the amount of the transaction is incorrect or the quality of service is an issue.

(20) File Turn. The average number of calendar days between the time a charge (purchase) is posted and the payment is received by the issuing bank.

(21) Financial Management Office. The installation or activity office charged with funds management, funds control and possibly funds certification. This office may be referred to as the comptroller's office, the resource management office, the financial management office and/or the budget office.

(22) Government-wide Purchase Card. The purchase card is the charge card account established with the issuing bank that enables properly authorized government personnel to buy and pay for supplies and services in support of official government business.

(23) Head of Activity (HA). For the purposes of this instruction, the Head of Activity (HA) is the military officer in command or the civilian executive in charge of the mission of a DON command or activity that has been granted contracting authority by the cognizant head of a contracting activity. The HA has overall responsibility for managing the delegation and use of this authority by personnel under his/her command.

(24) Head of Contracting Activity (HCA). The official in command at one of the 12 DON components listed in DFARS 202.101, e.g. COMNAVSUPSYSCOM, COMNAVAIRSYSCOM, etc. They are responsible for the delegation, redelegation and use of contracting authority including the use of the purchase card by DON commands, DON activities and DON personnel under his/her contracting cognizance.

(25) Letters of Agreement (LOAs). A streamlined procedure for procuring commercial supplies between \$2,500 and \$25,000 based on using oral solicitations, placing oral orders and paying for the oral orders using the purchase card. LOAs will not be established for the procurement of services.

(26) Merchant Category Code. A code used by the issuing bank to categorize each merchant according to the type of business the merchant is engaged in and the kinds of goods and services provided. These codes are used as an authorized transaction type code on a card/account to identify those types of businesses who provide goods and/or services that are authorized for use by the card holder.

(27) Micro-Purchase. An acquisition of supplies or services, the aggregate amount of which does not exceed \$2,500 (except construction which is limited to \$2,000). For more information, refer to the FAR, Part 2.101.

(28) Minimum Need. A purchase exceeds the U.S. Government's minimum needs when it is excessive in terms of quality, quantity or otherwise exceeds the minimum requirements to satisfy and support the U.S. Government in this instance.

(29) Official Invoice. The monthly billing statement is the official invoice for payment purposes that is provided to the AO. The billing statement identifies all of the purchase card transactions of his/her card accounts during a billing cycle.

(30) Pecuniary Liability. Personal liability for fiscal irregularities of disbursing and certifying officers and accountable officials as an incentive to guard against errors and theft by others and to protect the government against errors and dishonesty by the officers themselves.

(31) Purchase Card Log. A manual or automated log on which the card holder documents individual transactions and screening for mandatory sources using the purchase card and/or convenience checks. See enclosure (2). Entries in the purchase card log should be supported by internal agency documentation. The purchase card documentation should provide an audit trail supporting the decision to use the card and any required special approvals that were obtained. At a minimum, the log will contain the date the item or service was ordered, the merchant's name, the dollar amount of the transaction, a description of the item or service ordered and an indication whether or not the item was received.

(32) Reconciliation. The process by which the card holder and AO review the monthly statements, reconcile them against available vendor receipts and the purchase card log, and authorize payment of those charges provided on the monthly billing/card holder statements.

(33) Reviewing Official. An individual appointed by the head of the activity (or his/her designees) who is responsible for pre- and post-payment reviews of payments certified by the certifying officer. The reviewing official will not serve concurrently as an accountable, certifying or disbursing official.

(34) Services. For the purposes of this instruction, services are firm fixed-priced (including unpriced orders with an established ceiling) non-personal, commercially available requirements during which we directly engage the time and effort of the contractor to perform a task, e.g., repairs, maintenance, annual maintenance agreements, etc.

(35) Simplified Acquisition Threshold. The upper level at which an acquisition may use simplified acquisition rules, currently \$100,000, except that in the case of any contract awarded and performed, or purchase to be made, outside the United States in support of a contingency operation (as defined in 10 U.S.C.101 (a) (13) or a humanitarian or peacekeeping operation (as defined in 10 U.S.C.2302 (8) and 41 U.S.C. 259 (d)), the term means \$200,000. For more information, refer to the FAR, 2.101.

(36) Single Purchase Limit. A dollar limit on each purchase assigned to each card holder for a single transaction.

(37) Split Purchase. The "requirement" is the quantity known at the time of the buy. If an individual purchases as he/she becomes aware of the requirement, the requirement is each. If the requirements are consolidated and purchases are made once a day, the requirement becomes what was received during the day.

If an individual has historically purchased items as they became known to him/her, even if he/she has the same thing ordered twice in one day from the same vendor, that does not have to be splitting. Splitting is the intentional breaking down of a known requirement to stay within a threshold, i.e., the \$2,500 micropurchase threshold, or to avoid having to send the requirement to the contracting officer.

(38) Tax Exemption. The elimination of state and local taxes from federal purchases in accordance with state and federal law. The phrase "U.S. Government Tax Exempt" is printed on the front of each purchase card.

(39) Transaction Type. The transaction type is the method by which an order is placed when using the purchase card. Purchase card buys may be made over-the-counter, via the telephone or the Internet.

c. Designation of offices under the purchase card program and their responsibilities:

(1) Commanding Officers' duties:

(a) Establish effective internal management controls to ensure appropriate management, operation, and oversight of the local purchase card program.

(b) Ensure appropriate resources are allocated to the program.

(c) Ensure the local program is being executed in accordance with DOD and DON guidance.

(d) Ensure program personnel, APCs, AOs and purchase card holders are properly appointed and trained.

(e) Ensure the number of AOs and purchase card accounts appointed within a command is the minimum number to meet mission requirements.

(f) Establish local policies and procedures identifying informal and formal disciplinary action to be taken against APCs, AOs and purchase card holders for non-compliance, fraud, misuse and/or abuse. The range of disciplinary actions should be based on the severity and frequency of the infraction. Disciplinary action could range from informal actions such as written or verbal counseling detailing the concern and directing corrective action and greater oversight, to account suspension or cancellation, official letters of reprimand, demotion, removal or potential criminal prosecution.

(g) Establish and maintain a command climate to prevent requiring or requesting personnel from exercising undue influence over the actions of a purchase card holder.

(2) Agency Program Coordinator (APC) duties:

(a) Establish and ensure execution of the local program in accordance with DOD and DON policies and procedures.

(b) Ensure program personnel, APCs, AOs and purchase card holders are properly appointed, trained and are capable of performing their respective duties. In addition, ensure only personnel who require purchase cards for mission requirements are issued purchase cards.

(c) Ensure AO and purchase card holder profiles are appropriate for the local mission. Perform regularly scheduled maintenance no less than quarterly on command AO and purchase card accounts to ensure the account profile information is current and accurate, to examine frequency of use and ensure the AO/card account span of control remains within specified limits (no more than seven card accounts to one AO).

(d) Ensure appropriate action is taken when local reviews reveal non-compliance, misuse and/or abuse.

(e) Use reports available through the ad-hoc reporting tool within the bank system to proactively monitor the program. A description of the ad-hoc reporting tools options is detailed in the Purchase Card Desk Guide.

(3) Approving Official (AO) duties:

(a) Ensure all purchases accomplished by the purchase card holders within their cognizance are appropriate and the charges are accurate.

(b) Verify supporting transaction documentation on all card accounts prior to certifying the monthly invoice.

(c) Notify the commanding officer and Agency Program Coordinator in the event of any suspected unauthorized purchase (a purchase that would indicate non-compliance, fraud, misuse and/or abuse).

(d) Ensure proper receipt, acceptance and inspection is accomplished on all items being certified for payment.

(e) Certify the monthly invoice in a timely manner, usually five days.

(4) Reviewing Official duties:

(a) Perform monthly pre- and post-certified payment audits using stratified statistical random sampling as described in the Financial Management Regulations, Volume 5, Chapter 33 and Financial Management Regulations, Volume 13.

(b) Make an initial determination of questionable certification, maintain a file of all inquiries and ensure inquiries are resolved within 30 days.

(c) Refer determinations of questionable legality and the propriety of correctness to the APC and the Head of Activity.

(d) Forward copies of final reports with findings to the HA, DON eBusiness Operations Office and Assistant SECNAV (Financial Management and Comptroller) in accordance with the Financial Management Regulation, Volume 5, Chapter 33.

(5) Purchase Card Holder duties:

(a) Ensure proper and adequate funding is available prior to any purchase card action.

(b) Screen all requirements for their availability from the mandatory government sources of supply.

(c) Purchase only mission essential requirements at fair and reasonable prices from responsible suppliers.

(d) Maintain either a manual or automated log that documents individual transactions and screening for mandatory sources of supply. The purchase card log and supporting documentation should provide an audit trail supporting the decision to use the card and any required special approvals that were obtained. A sample is included in the Purchase Card Desk Guide. The following items should be included in the log:

1 Date the item or service was ordered

2 The merchant's name

3 The dollar amount of the transaction

4 A description of the item or service ordered

5 The date of receipt

6 Name of the individual receiving the item or service

7 Paid but not received (pay and confirm)

8 Credit received?

9 Disputed charge?



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(e) Review the monthly purchase card statement to ensure all charges are proper and accurate.

(f) Forward the monthly purchase card statement to the AO with the appropriate supporting documentation, i.e., sales slips, documentation of receipt and acceptance purchase log, etc., in a timely manner to maximize rebates and minimize prompt payment penalties.

(g) Follow the appropriate procedures for "pay and confirm" and/or disputes as described in the Purchase Card Desk Guide.

(7) Designated Billing Office. The address of the designated DFAS operating location is as follows:

DFAS NORFOLK OPERATING LOCATION (CODE IEBC)  
ATTN: GLORIA HARRIS  
1837 MORRIS ST SUITE 1401  
NORFOLK, VA 23511-3431

Commercial: (757) 443-4716  
DSN: 646-4716

(8) Comptroller. The financial person/comptroller is responsible for managing command funding and establishes account limits for AOs and card holders.

## 2. Establishing Local Accounts

(1) Prior to establishing purchase card accounts for local command personnel, the APC will ensure the prospective card holder has received proper training in:

- (a) Standards of conduct
- (b) DON purchase card training (CD rom, classroom training, etc.)
- (c) Internal operating procedures

(2) Personnel wishing to become purchase card holders will:

(a) Provide a request to the APC identifying any required account limits

(b) Attend DON required training, including training on local procedures. Contact the APC for internal training requirements.

(c) Obtain a Letter of Delegation or Contracting Officer's Warrant, SF 1402, from the APC.

(3) Cardholder Account Limits. Use of the purchase card within MOMAG is subject to a single purchase limit, normally \$2,500, a monthly card holder limit and a monthly office limit. The purposes of these dollar limits are as follows:

(a) Single Purchase Limit. The single purchase limit is a limitation on the purchase authority delegated to the purchase card holder by the HA or his/her designee. This dollar limit cannot be exceeded. COMOMAG does not have the authority to change this limit.

(b) Billing Cycle Purchase Limit. The billing cycle card holder limit is the spending limit assigned the purchase card holder's cumulative purchases in a billing cycle.

(c) Billing Cycle Office Limit. The monthly billing cycle office limit is the limit assigned the AO for the cumulative totals of the purchase card holders reporting to them.

### 3. Internal Processes

a. Purchase Request Process. MOMAG card holders will ensure sufficient funds are committed by the financial manager and are available to meet the requirement of the purchase card action. This will be in the form of an approved COMOMAG purchase order request and must be approved by the AO prior to the purchase being made.

b. Screening/Documentation. MOMAG purchase card holders are required to screen all requirements from the statutory sources of supply, e.g., JWOD or UNICOR. Additionally, the screening must be documented on a manual or automated log.

#### c. Solicitation and Award Procedures

(1) Solicitation procedures. MOMAG purchase card holders are authorized to use the purchase card either over-the-counter, via the telephone or the Internet. The APC can limit this to one member or authorize this for all members. Price quotations and delivery for mission requirements will be obtained from contractors and documented in the manual or automated log.

(2) Award procedures. MOMAG purchase card holders will award purchase card orders only to responsible contractors who offer fair and reasonable prices. Additionally, all purchase card awards will be documented on the purchase card holders manual or automated log.

d. Receipt and Acceptance Procedures. MOMAG purchase card holders are responsible for verifying receipt of all transactions. When the purchase card holder is billed but does not receive the supplies or services at the time of receipt of the official invoice, the card holder must fully certify the invoice with the anticipation that confirmation of the receipt will occur within the next billing cycle. If the supplies or services are not received within the next billing cycle, the card holder must dispute the item using established dispute procedures. The card holder must also certify that the quantity and quality of the items furnished are in accordance with the agreement with the vendor. The card holder must save all receipt documentation in order to properly reconcile the purchase card statement at the end of the billing cycle. If receipt documentation is not available, the card holder must contact the end user, central receiving department or other

person or persons responsible for the receipt to obtain verification that the supplies or services have been received. The purchase card log or purchase file must be documented to indicate that proper receipt and acceptance has been accomplished. Someone other than the card holder must sign for receipt of the material.

e. Procedures for Property Management. MOMAG must maintain an inventory of ADP items, copiers and other electronic equipment over \$100 in value. Supply may sub-custody this equipment to another department who is then responsible for the safe keeping of the items.

f. Obligation of funds. An obligation must be placed into FASTDATA prior to a purchase card transaction being made.

g. Reconciling Purchase Card Accounts

(1) Purchase card holders. At the end of each billing cycle (the 21st of the month for DON cardholders), MOMAG purchase card holders will reconcile the transactions appearing on his/her monthly statements by verifying their accuracy against card holder records. The card holder will review all information on the monthly statement, verifying any changes, credits, outstanding disputes or refunds within five days of receipt. If the card holder fails to review the monthly statement, including annotating any discrepancies, disputing improper charges, or signing and forwarding it to the AO or designated alternate within the five day period, the AO or designated alternate will presume that all charges are proper and certify the monthly invoice for payment. The card holder is ultimately responsible for purchase card transactions being proper and for notifying the AO of any information he/she has knowledge of which impacts on the propriety of certifying the monthly invoice for payment. If transactions or credits are not included on the current statement, the card holder must retain the applicable documentation until the transactions or credit appears and can be reconciled. The card holder must then sign the statement and forward the package to his/her AO or the alternate. If the card holder is unable to review his/her statement in a timely manner, the AO or alternate or APC must review and certify the card holder's monthly statement. The card holder, upon his/her return, must review the monthly statement and resolve any discrepancies with the AO or the APC.

(2) AO Certification. MOMAG AOs, unless otherwise specified, will be the certifying officer for his/her card holder's monthly invoice. The AO/certifying officer is responsible for ensuring all purchases made by the card holders within his/her cognizance were appropriate and that the charges are accurate. He/she must resolve all questionable purchases with the card holder. In the event an unauthorized purchase is detected, the AO must notify the APC and other appropriate personnel within the command in accordance with the command's internal operating procedures. After review, the AO will sign the card holder's monthly statement of account and maintain the documentation in accordance with agency procedures.

h. Maintenance and Retention of Purchase Card Records. All files and statements must be maintained for 5 1/2 years.

i. Restricted Purchases. For a list of restricted purchases, see enclosure (3).

j. Procedures for resolving suspected fraud, abuse or misuse of the purchase card. If there is a suspicion of wrong doing, immediately notify the next level of authority, such as the AO or APC.

k. Closure of Card Holder Accounts upon Transfer, Retirement or Termination of Employment. Card holder accounts should be closed at least 30 days prior to the member's last day of work at the command. This will allow time for transactions to process and be certified.

l. Missing Documentation. If for some reason the card holder does not have documentation of the transaction to send to the AO, he/she must attach an explanation which includes a description of the item, the date purchased, the merchant's name and explain why there is no supporting documentation.

m. Certification Timeline. The AO is responsible for reviewing and certifying the monthly purchase card invoice within five days of receipt from the card holder and forwarding it to the appropriate DFAS or billing office. As the certifying officer, the AO is responsible for timely certification of the monthly invoice. The AO is to presume that all transactions on the monthly statement are proper unless notified in writing by the purchase card holder within five days from the cardholder's receipt of his/her monthly statement. The presumption does not relieve the AO from reviewing the statement for blatant improper purchase card transactions and taking the appropriate action prior to certifying the invoice for payment.

4. Restrictions of the use of the purchase card. See enclosure (3).

5. Unauthorized uses of the purchase card:

a. A card holder who makes unauthorized purchases or who uses the card in an inappropriate manner may be liable to COMOMAG for the total amount of the unauthorized purchases made in connection with misuse or negligence.

b. Unauthorized use of the card may also include the use of the card by anyone other than the card holder identified on the front of the purchase card.

c. Unauthorized use in connection with misuse or negligence may result in administrative and disciplinary action.

6. Lost or stolen cards

a. Telephone notification. If a purchase card is lost or stolen, the MOMAG card holder must immediately notify CITIBANK at CITIBANK Customer Service, 1-800-790-7206.

b. Written notification. Additionally, on the next working day the card holder must notify the APC and his/her AO. The notification will include the following information:

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- The card number
- The card holder's complete name
- Date and location of the loss
- If stolen, the date it was reported to police and the date and time CITIBANK was notified
- Any purchases made on the card the day the card was stolen
- Other pertinent information

7. Separation of the card holder. Upon separation, transfer, transfer to the Fleet Reserve or retirement from MOMAG, the card holder will notify his/her AO of the expected departure date. In addition, prior to final signing out from MOMAG the card holder will surrender his/her purchase card to the APC. The APC will notify CITIBANK to have the account cancelled and inform the COMOMAG APC.

8. Billing errors and disputes

a. Card holders should attempt to resolve all discrepancies or billing errors with the local merchant first.

b. If a card holder receives a monthly statement that lists a transaction for items that have not been received, he/she should do the following:

(1) Under pay and confirm procedures, pay the invoice in full in anticipation that the supplies will be received within the next billing cycle. If the supplies are not received, the purchase card holder will dispute the item using established dispute procedures.

(2) If the charges are not authorized or the items have not been shipped, the purchase card holder must dispute the charges. All charges must be disputed within 60 days of receipt of the invoice on which the charge first appeared.

c. Defective items. If the items purchased are defective, the card holder should attempt to obtain a replacement or correction of the item from the merchant as soon as possible. If the vendor refuses to replace or correct the defect or replace the item, the card holder must put the item in dispute.

9. Card Security. MOMAG purchase card holders are responsible for the security of their purchase cards. The card is printed with the name of the employee who is the official U.S. Government representative authorized to use the purchase card. Only that person is authorized to use the card. It is the card holder's responsibility to safeguard the purchase card and purchase card account number at all times. The card holder must not allow anyone to use or gain access to his or her card or account number.

10. Points of contact for the COMOMAG Government Commercial Credit Card Program:

a. Agency Program Coordinator

COMOMAG  
BUDGET ANALYST (N42)  
275 FIFTH ST SE  
CORPUS CHRISTI, TX 78419-5008

Commercial: (361) 961-4988 ext 140  
DSN: 861-4988 ext 140

b. Approving Official:

COMOMAG  
SUPPLY OFFICER (N4)  
275 FIFTH ST SE  
CORPUS CHRISTI, TX 78419-5008

Commercial: (361) 961-4988 ext 136  
DSN: 861-4988 ext 136

11. Standards of Conduct/Ethics Training

a. All MOMAG AOs and purchase card holders will receive ethics and standards of conduct training in accordance with agency and command policy prior to assuming their duties with the MOMAG purchase card program.

b. All MOMAG AOs and purchase card holders hold a public trust. Their conduct must meet the highest ethical standards. All MOMAG card holders will use their purchase cards only to obtain supplies and services that are for official government business.

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LIST OF PROHIBITED AND SPECIAL ATTENTION ITEMS

1. This information applies to Department of the Navy APCs, AOs and purchase card holders with established purchase card programs. For a full explanation and/or background information on prohibitions referenced in this enclosure, refer to NAVSUPINST 4200.85.

2. Not all of the prohibitions found in this enclosure require special approvals. Some may be procured using traditional purchase methods, e.g., purchase orders, BPA calls, etc., and paid for using the purchase card. Detailed procedures for using the purchase card as a method of payment may be found in Chapter 4 of reference (b).

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#### Advance Payments

General rule: Except for requirements such as subscriptions for publications, e.g., Navy Times, Federal Contracts Reporter, Commercial Clearing House, Inc., etc., and post office box rentals, advance payments are prohibited.

#### Advertising COMOMAG

General rule: Unless specific approvals have been obtained, advertising contract actions are not authorized in accordance with the Navy Acquisition Procedures Supplement (NAPS).

Exception: The Chief of Naval Personnel has authorized an increase from \$1,000 to \$2,500 for the specific media advertising purchase limit for Commanding Officers of Navy Recruiting Districts to commensurate with the current micro-purchase threshold. This authority cannot be redelegated.

#### Asbestos and Asbestos-Containing Materials

General rule: Purchase card holders are not authorized to purchase asbestos or asbestos-containing materials.

#### Black Oxide Coated Brass Threaded Fasteners

General rule: Purchase card holders are not authorized to procure brass or copper alloy fasteners coated with black oxide. For information regarding this prohibition, contact Mr. Scott Stanko, Naval Inventory Control Point (Code 0541) at (717) 605-1361 or DSN 430-1361 or via the internet at [scott\\_a\\_stanko@icpmec.navy.mil](mailto:scott_a_stanko@icpmec.navy.mil).

#### Buildings and/or Land, Long-Term Rental or Lease of

General rule: Purchase card holders are prohibited from entering into long-term rentals or leases for buildings and/or land.

#### Business Cards

General rule: Flag officers, member of the SES and general officers may authorize the printing of business cards limited to using existing software and agency-purchased stock for those positions that require business cards in the performance of official duties.

#### Cash Advances

General rule: Purchase card holders are prohibited from using their purchase cards to obtain cash advances.

#### Christmas and Other Seasonal Decorations

General rule: Seasonal decorations may be acquired using the purchase card provided local customs and traditions are observed. Purchase card holders are not authorized to buy Christmas cards.

#### Coffee Pots, Coffee, Refreshments

General rule: Unless the purchase of coffee pots, coffee or refreshments is for an authorized mess as discussed in NAVSUP P-486, Volume 1, CH-1 to Rev. 3 and BUPERSINST 1710.11C, the purchase of these items is prohibited. Purchase card holders are also prohibited from buying refreshments for other government employees.



Exceptions: The use of Official Representation Funds (ORF) for official entertainment and center of influence events involving Navy recruiters are exceptions to this rule. Additionally, Navy recruiters are authorized to use the purchase card to buy meals for recruiting applicants as an out-of-pocket expense.

Commercial Vehicles, Purchase of

General rule: Purchase card holders will not use their purchase cards to purchase commercial vehicles.

Commercial or GSA Vehicles, Rental/Lease of (Without Drivers)

General rule: Purchase card holders are not authorized to use their purchase cards to rent or lease commercial or GSA vehicles.

Employee Identification Tags

General rule: Unless the requiring activity/command determines that use of identification tags are necessary and are in support of mission requirements, activities may not use appropriated funds to purchase employee identification tags.

Federal Information Processing Resources/Year 2000 (Y2K) Project

General rule: Purchase card holders should ensure all procurements of information technology equipment are Y2K compliant.

Fireworks Display

General rule: Purchase card holders may not use appropriated funds to buy fireworks.

Fuel, Oil, Services, Maintenance and Repairs

General rule: Purchase card holders are not authorized to purchase fuel, oil, services, maintenance and repairs of interagency fleet management system and GSA fleet management programs, i.e., repair of GSA leased vehicles.

HAZMAT and Hazardous Waste Disposal

General rule: Except for commonly used hazardous material the purchase of HAZMAT by card holders is prohibited. See Chapter 1 reference (b).

Incentive Music and Equipment

General rule: Except for specifically programmed music, the purchase of music and equipment for broadcasting (including radios, automatic record players or phonographic records) for entertainment purposes is generally not authorized.

Exception: Specifically programmed music may be purchased based on a written determination by the commanding officer describing how the acquisition would improve morale, benefit the command, etc., and thereby qualify as a necessary expense under the necessary expense rules. This prohibition also does not preclude the expenditure of appropriated funds for the purchase of a public address system required for intra-station communication.

Lodging and Meals

General rule: Purchase card holders are prohibited from using their purchase cards for the payment of lodging and meals for employees on temporary duty.

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Exception: Certain reserve activities are authorized to buy meals for naval reservists during drill activities.

#### Luggage

General rule: The purchase of luggage for employees or service members to carry personal belongings while on travel orders is generally not authorized.

Exception: Sea bags issued to service members and briefcases, etc., furnished for the express purpose of carrying official documents associated with the duties of the service member or employee.

#### Medical and Dental Care from Civilian Non-Federal Sources

General rule: Purchase card holders will not use their cards for payment of medical and dental services.

#### Membership Dues

General rule: Except for membership dues which solely benefit the agency or activity, the purchase of club, association, organization and other related memberships are prohibited.

Exception: The use of appropriated funds for membership dues of an activity or agency is permissible if the membership contributes to the fulfillment of the mission of the activity or agency.

#### Ozone Depleting Substances (ODS)

General rule: Purchase card holders are not authorized to purchase ODS materials.

Exception: Contracting officers may use their purchase card as a method of payment provided guidance in the NAPS is strictly adhered to.

#### Personal Services

General rule: Unless he/she has statutory authority, purchase card holders should not contract for personal services using the purchase card.

#### Pesticides

General rule: Unless prior approvals are obtained from the cognizant pest management consultant at the appropriate NAVFAC division, purchase card holders are not authorized to contract for purchase of pesticides.

#### Plaques, Ashtrays, Paperweights and other Mementos as Give-Away Items

General rule: The use of appropriated funds to buy give-away items such as plaques, cuff links, hats, T-shirts, license plate covers, bracelets, ashtrays, Christmas cards, paper weights, cigarette lighters, novelty trash cans, key chains and similar items are generally prohibited.

Exception: The purchase of give-away items in support of employee recognition programs may be authorized if accomplished in accordance with agency policy.

#### Printing and Duplication

General rule: Purchase card holders are prohibited from buying printing or duplication services from agencies other than Defense Automated Printing Service (DAPS).

Purchases from Government Employees or Businesses Owned or Controlled by Government Employees

General rule: Purchases from government employees (military or civilian) or from business organizations substantially owned or controlled by government employees are generally prohibited.

Reprographic Equipment

General rule: The purchase, lease, rental, trial, replacement or change in rental or lease plan of reprographic equipment is not authorized unless the requestor has complied with the requirements of the Navy Reprographic Equipment Program. The requestor must obtain written approval from the cognizant DAPS for all shore copying equipment with speeds of 71 or more copies per minute. Examples of reprographic equipment include copiers and high-speed copiers, diazo process equipment, laser printers and duplicating equipment.

Sensitive Compartmented Information in Contracts

General rule: Purchase card holders are not authorized to enter into negotiations that will include requirements for contractor access to sensitive compartmented information unless the customer has staffed the requirement through Commander, Office of Naval Intelligence (ONI-532).

Shipboard Habitability Equipment, including Furniture, Laundry/Dry Cleaning and Food Service Equipment

General rule: Except for furniture, laundry, dry cleaning, and food service equipment listed in the following catalogs, purchase card holders are prohibited from purchasing these items:

Furniture equipment - S9600-AD-GTP-010, U.S. Navy Shipboard Furniture Catalog with applicable changes

Laundry/dry cleaning equipment - S6152-B1-CAT-010, Navy Laundry and Dry Cleaning Catalog with applicable changes

Food service equipment - S6161-Q5-CAT-010, The Shipboard Food Service Equipment Catalog with applicable changes

Transportation, Purchase of

General rule: The purchase card cannot be used to pay for transportation charges.

Travel, or Travel-Related Expenses

General rule: The purchase card cannot be used to pay for travel or travel related expenses, e.g., expenses associated with official travel including transportation, lodging or meals.

Uniform Items

General rule: Card holders are not authorized to use appropriated funds to purchase uniform items.

Visual Information (VI) Equipment and Material

General rule: Per OPNAVINST 5290.1A, acquisition of professional visual information (VI) equipment by non-VI activities or personnel is prohibited. Naval Media Center (formerly Naval Imaging Command) is the sole authority for

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contracting for visual information within the Navy. The POC and policy officer for the Navy Annual Visual Information Production Program administered by Chief of Naval Operations (N09C4) can be reached by calling (202) 433-3790 or DSN 288-3790.

Visual Information-Audiovisual Production including Interactive Video Acquisition

General rule: Unless approval has been granted from the Navy Media Center, the acquisition of audio visual production, including interactive video, by the federal Government is prohibited regardless of cost or application.

Exceptions: DON activities may be approved by the CNO (N09C4) on a case-by-case basis. Requests for exceptions to this policy will require submission of the approved instructional system development analysis. For major claimant Visual Information Management Offices, contact the Visual Information Production Policy Officer, CNO (N09C4) at (202) 433-2141 or DSN 288-2141.

Visual Information-Acquisition of Commercial Off-the-Shelf Visual Information Productions

General rule: Unless prior approval from the Visual Information Management Office is obtained, purchase card holders are not authorized to procure commercial off-the-shelf visual information productions. For a list of off-the-shelf visual information productions, visit the Defense Automated Visual Information System/Defense Instructional Technology Information System (DAVIS/DITIS) located on the Naval Media Centers website at <http://www.mediacen.navy.mil>.

Exceptions: Justification must be submitted to contracting officials in accordance with major claimant Visual Information Management Office regulations. For major claimant Visual Information Management Offices, contact the Visual Information Production Policy Officer, CNO (N09C4) at (202) 433-2141 or DSN 288-2141.

Withdrawal of Tax-free Ethyl and Specifically Denatured Alcohol

General rule: The purchase of tax-free ethyl and specifically denatured alcohol is not authorized unless a permit has been issued from the Bureau of Alcohol, Tobacco and Firearms.